

VZCZCXRO2635
OO RUEHDBU RUEHFL RUEHKW RUEHLA RUEHNP RUEHROV RUEHSL RUEHSR
DE RUEHMO #0228/01 0320441
ZNY CCCCC ZZB
O 010441Z FEB 10
FM AMEMBASSY MOSCOW
TO RUEHC/SECSTATE WASHDC IMMEDIATE 6119
INFO RUEH2L/EUROPEAN POLITICAL COLLECTIVE PRIORITY
RUCPDOC/DEPT OF COMMERCE WASHDC PRIORITY
RUEATRS/DEPT OF TREASURY WASHDC PRIORITY
RHEHNSC/NSC WASHDC PRIORITY
RHEHAAA/WHITE HOUSE WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 MOSCOW 000228 SIPDIS STATE FOR EUR/RUS, EEB TREASURY FOR TORGERSON/WRIGHT NSC FOR MCFAUL WHITE HOUSE

TAGS: [EINV](#) [ETRD](#) [RS](#)

SUBJECT: RUSSIAN DRAFT BILL WOULD REQUIRE ON-SHORE CREDIT CARD PROCESSING REF: MOSCOW 00079 Classified By: ECONMINCOUNS Matthias Mitman for F

1.(C) SUMMARY: The latest version of the Russian draft law "On the National Payment System" contains several provisions that would disadvantage

2.(C) On January 27, the Russian newspaper *Kommersant* reported that it had received a copy of the "final" version of the draft legislation "On To Join or Not To Join -----

3.(C) According to Visa's XXXX, the latest version follows the "China model" of payment card systems. The law would set up a National Payment

4.(C) While joining the NPCS would be optional for both banks and international payment card companies, membership has its privileges. If Vi ON-SHORE PAYMENT PROCESSING REQUIRED -----

5.(C) In the proposed draft of the law, if international payment card companies choose not to join the NPCS, they will have to set up on-shore

6.(C) According to XXXX, MinFin understands that this MOSCOW 00000228 002 OF 002 would entail so much expense and difficulty for Visa and STATE EMPLOYEES ALL GET NPCS CARDS -----

7.(C) The current draft of the law would require all state-owned enterprises and all state employees to be issued NPCS cards and to receive t COMMENT -----

8.(C) This draft law continues to disadvantage U.S. payment card market leaders Visa and MasterCard, whether they join the National Payment Ca